

Councilman: Home foreclosures may disproportionately impact low-income and minority communities in county



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SAN DIEGO - Home foreclosures from so-called sub-prime mortgage lending may disproportionately impact low-income and minority communities in San Diego, Councilman Tony Young said today.

At a morning news conference at City Hall, Young said unscrupulous lenders have "targeted" minority and low-income neighborhoods.

"This is a critical issue for our communities," Young said, flanked by members of the San Diego Reinvestment Task Force.

"They have targeted them and put them in a situation where now they are losing their homes," the councilman said.

"Clearly, it is an example, if true, of institutional racism, when you are looking for people of color to put them into these loans," Young said.

The task force, which Young co-chairs, was formed by the city and county in 1977, and is charged with "monitoring lending practices and developing strategies for reinvestment,"

Alan Fisher, executive director of the California Reinvestment Coalition, said there are four times as many high-cost loans in neighborhoods of color.

"There is clear targeting there," Fisher said.

According to Fisher, there were 59,000 notices of foreclosure delivered in California last month alone.

The Task Force announced an initiative to help people who took out questionable mortgages avoid foreclosure, Young said.

The group plans to work with various city and county agencies to secure funds to be used for foreclosure prevention counseling, education and outreach, including holding a series of seminars for homeowners.

It is approaching various lenders to establish programs to help those who are facing foreclosure on their homes.

Young also called on the city and county to pass laws requiring the inspection and monitoring of foreclosed properties for code violations and ongoing maintenance so that those homes don't blight neighborhoods.